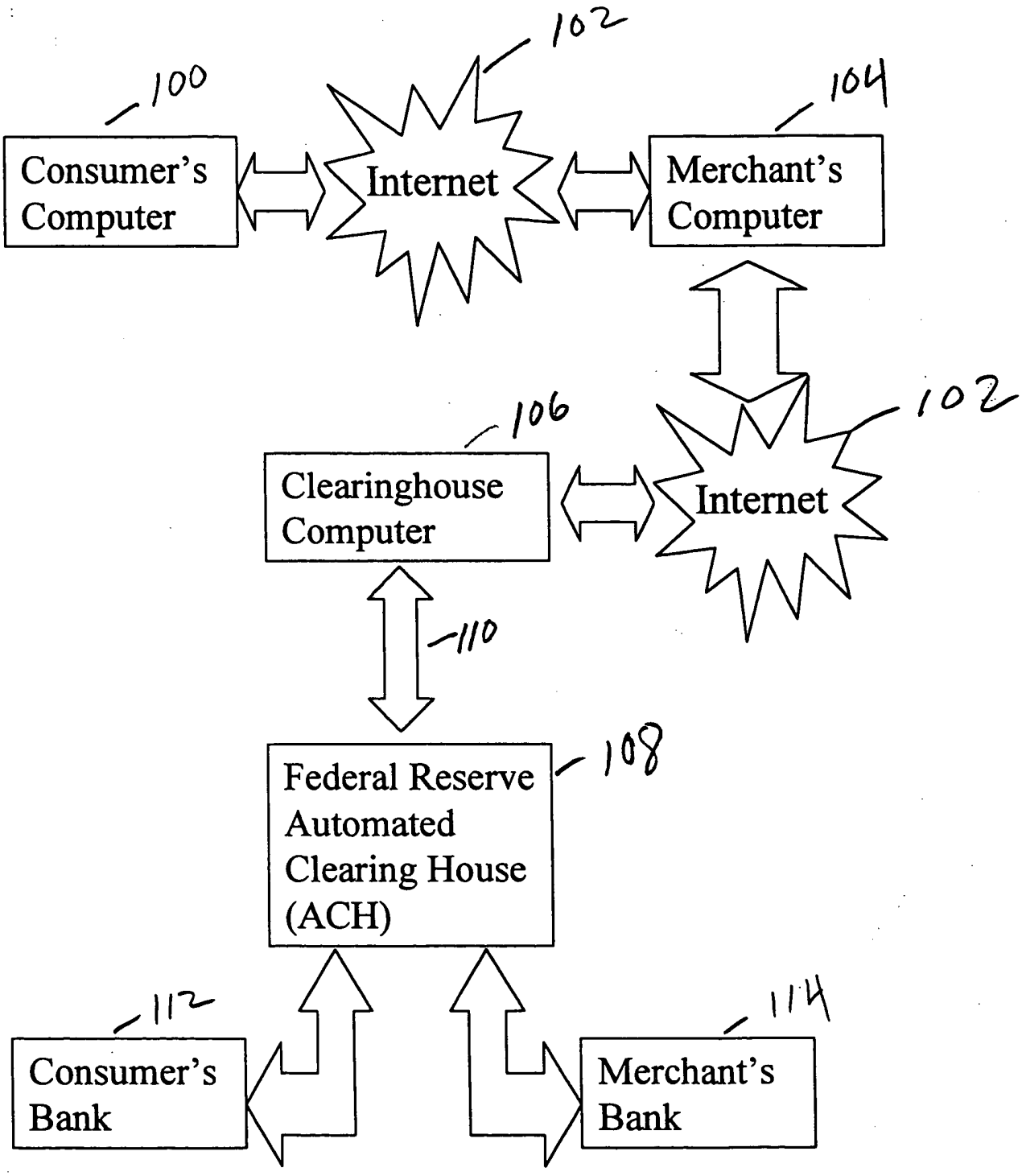

100
102
104
Consumer's Computer
Internet
Merchant's Computer
106
102
Clearinghouse Computer
Internet
110
108
Federal Reserve Automated Clearing House (ACH)
112
114
Consumer's Bank
Merchant's Bank

Fig. 1

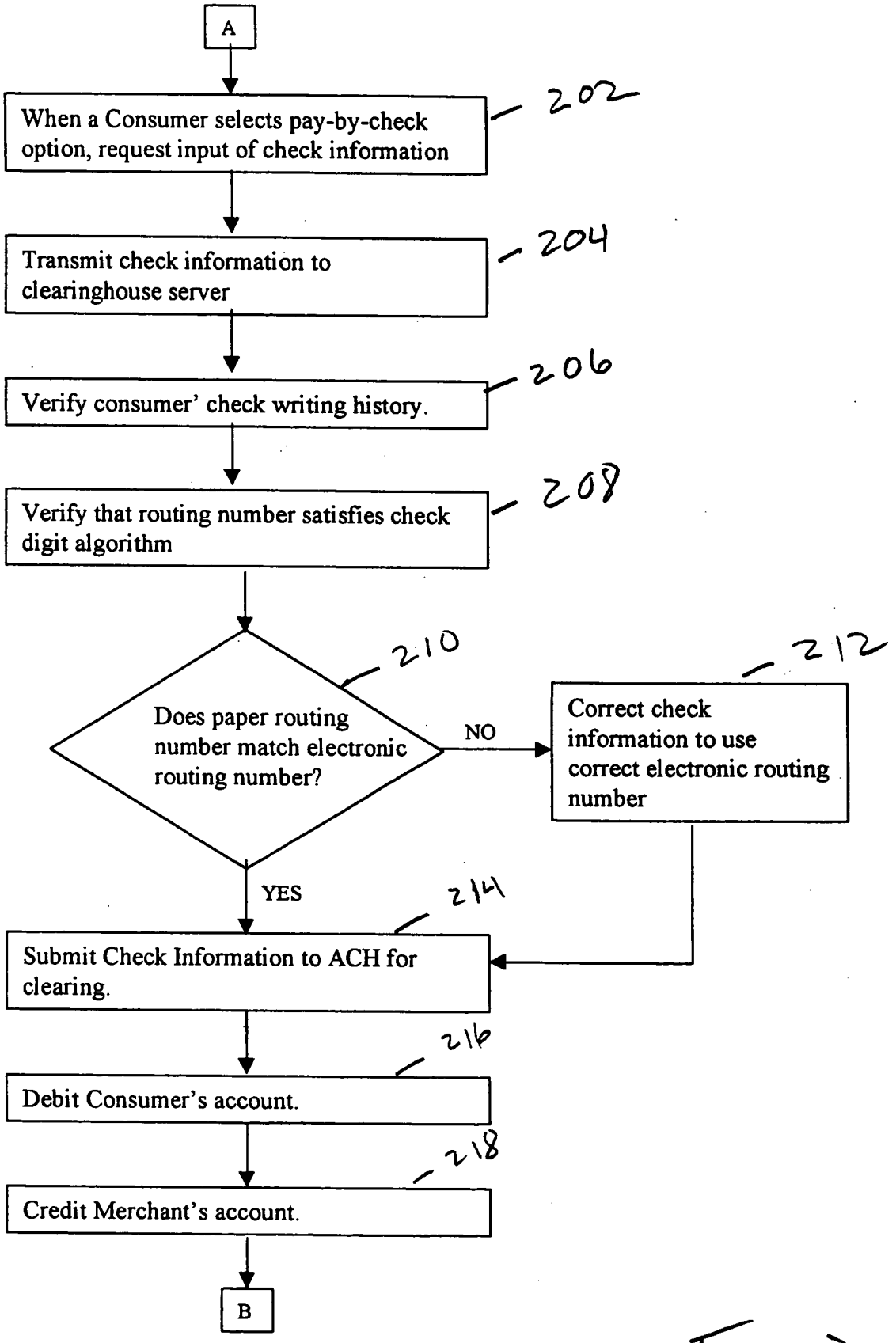
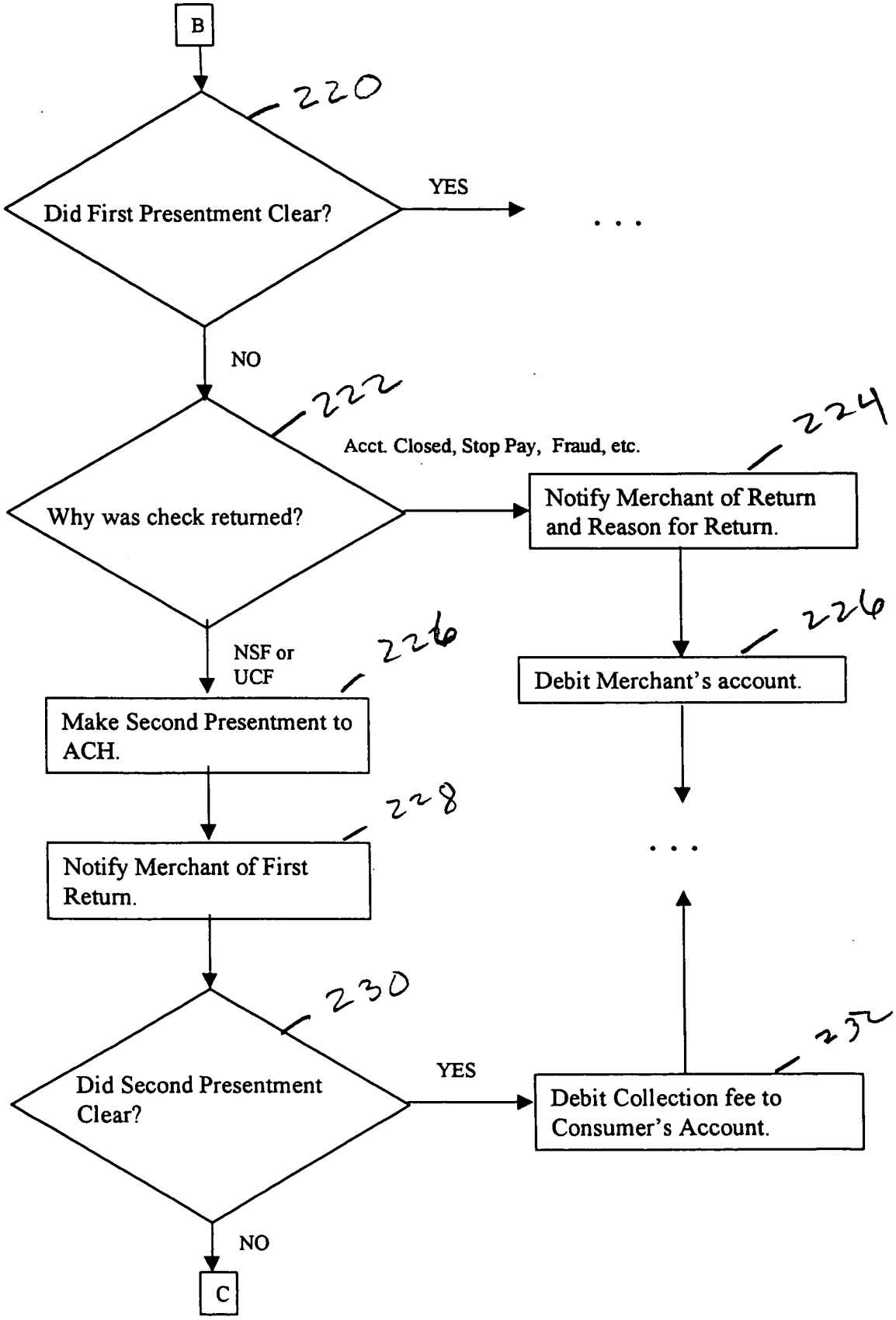
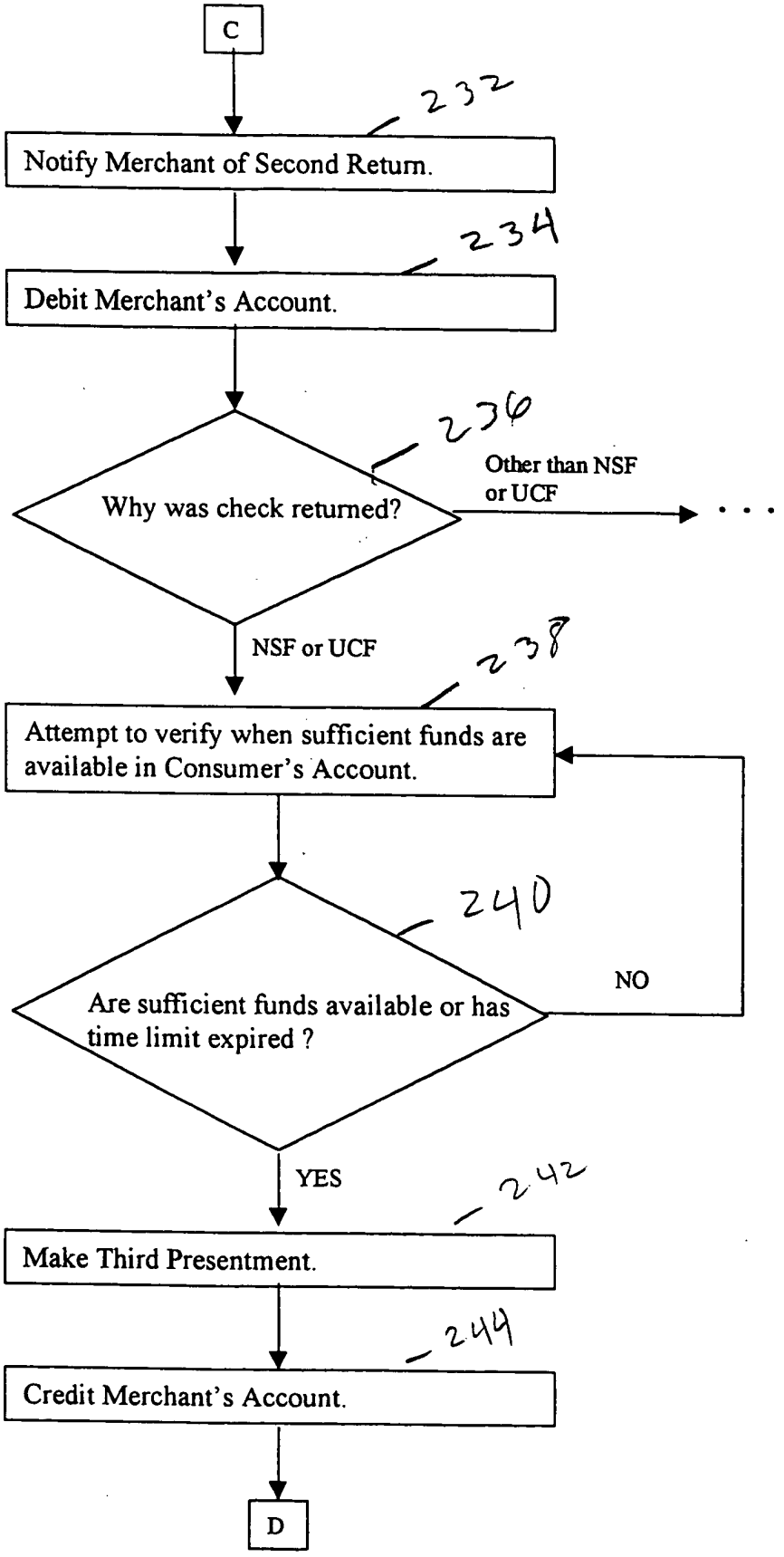
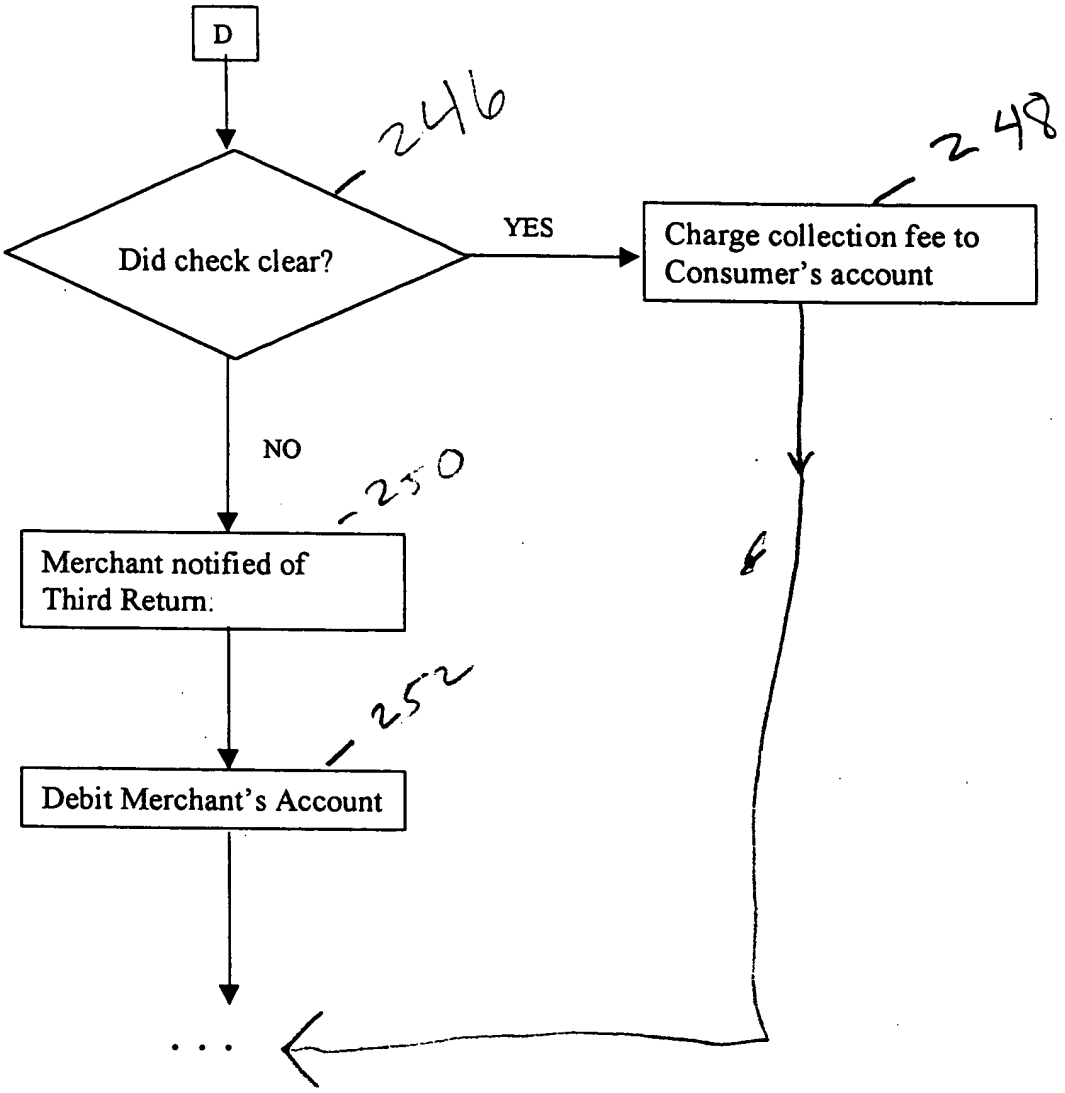

A
When a Consumer selects pay-by-check option, request input of check information
202
Transmit check information to clearinghouse server
204
Verify consumer' check writing history.
206
Verify that routing number satisfies check digit algorithm
208
Does paper routing number match electronic routing number?
210
NO
Correct check information to use correct electronic routing number
212
YES
Submit Check Information to ACH for clearing.
214
Debit Consumer's account.
216
Credit Merchant's account.
218
B

Fig. 2


B
220
Did First Presentment Clear?
YES
. . .
NO
222
Why was check returned?
Acct. Closed, Stop Pay, Fraud, etc.
224
Notify Merchant of Return and Reason for Return.
226
Debit Merchant's account.
. . .
NSF or UCF
226
Make Second Presentment to ACH.
228
Notify Merchant of First Return.
230
Did Second Presentment Clear?
YES
232
Debit Collection fee to Consumer's Account.
NO
C


C
232
Notify Merchant of Second Return.
234
Debit Merchant's Account.
236
Why was check returned?
Other than NSF or UCF
NSF or UCF
238
Attempt to verify when sufficient funds are available in Consumer's Account.
240
Are sufficient funds available or has time limit expired ?
NO
YES
242
Make Third Presentment.
244
Credit Merchant's Account.
D


D
246
Did check clear?
YES
248
Charge collection fee to Consumer's account
NO
250
Merchant notified of Third Return.
252
Debit Merchant's Account
. . .